

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,

Plaintiff,

v.

NANCY VELEZ-ARROYO,

Defendant.

INDICTMENT

CRIMINAL NO. 15- 715 (PAD)

VIOLATIONS:

18 U.S.C. § 1623(a)

18 U.S.C. § 1512(c)(2)

18 U.S.C. § 1503(a)

FIVE COUNTS

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CLERK OF DISTRICT COURT
SAN JUAN, P.R.

THE GRAND JURY CHARGES:

COUNT ONE

**False Declarations Before Grand Jury
Title 18, United States Code, Section 1623(a)**

1. On or about the 18th day of February, 2015, in the District of Puerto Rico and within the jurisdiction of this court, the defendant,

NANCY VELEZ-ARROYO,

while under oath and testifying in a proceeding before Grand Jury Panel 14-2, a Grand Jury of the United States in the District of Puerto Rico, knowingly did make a false material declaration, that is to say:

2. At the time and place aforesaid the grand jury was conducting an investigation to determine whether violations of Title 18, United States Code, Sections 1344, 656, 1343, and 1957, had been committed, and to identify the persons who had committed, caused the commission of, and conspired to commit such violations. It was material to the investigation that the grand jury ascertain if Nancy Velez-Arroyo had any involvement with San Juan Tropical's contract with Doral Bank.

3. At the time and place alleged, Nancy Velez-Arroyo appearing as a witness under oath at a proceeding before the grand jury knowingly made the following declaration in response to questions with respect to the material matter alleged in paragraph III as follows:

Q: Okay. Now, what involvement if any did you have in the San Juan Tropical contract?

A: None whatsoever.

4. The aforesaid underscored testimony of Nancy Velez-Arroyo, as she then and there well knew and believed, was false in that, on or about May 4, 2009, Nancy Velez-Arroyo wrote an e-mail to Enrique Ubarri, a Doral Bank employee, attached a copy of San Juan Tropical's contract, and discussed its terms. All in violation of Title 18, United States Code, Section 1623(a).

COUNT TWO
False Declarations Before Grand Jury
Title 18, United States Code, Section 1623(a)

1. On or about the 18th day of February, 2015, in the District of Puerto Rico and within the jurisdiction of this court, the defendant,

NANCY VELEZ-ARROYO,

while under oath and testifying in a proceeding before Grand Jury Panel 14-2, a Grand Jury of the United States in the District of Puerto Rico, knowingly did make a false material declaration, that is to say:

2. At the time and place aforesaid the grand jury was conducting an investigation to determine whether violations of Title 18, United States Code, Sections 1344, 656, 1343, and 1957, had been committed, and to identify the persons who had committed, caused the commission of, and conspired to commit such violations. It was material to the said investigation

that the grand jury ascertain if Nancy Velez-Arroyo was aware that San Juan Tropical was being paid on a weekly basis under the terms of its contract with Doral Bank.

3. At the time and place alleged, Nancy Velez-Arroyo appearing as a witness under oath at a proceeding before the grand jury knowingly made the following declaration in response to questions with respect to the material matter alleged in paragraph III as follows:

Q: Well, did you know that the contract did not require – did not provide for weekly payments, and that the San Juan Tropical was being paid, contrary to most other vendors in the bank, on a weekly basis when the contract provided for monthly payments?

A: No, ma'am.

4. The aforesaid underscored testimony of Nancy Velez-Arroyo, as she then and there well knew and believed, was false in that, on or about January 12, 2009, Nancy Velez-Arroyo, instructed Maria Bonilla, a Doral Bank employee, to pay San Juan Tropical on a weekly basis. All in violation of Title 18, United States Code, Section 1623(a).

COUNT THREE
False Declarations Before Grand Jury
Title 18, United States Code, Section 1623

1. On or about the 18th day of February, 2015, in the District of Puerto Rico and within the jurisdiction of this court, the defendant,

NANCY VELEZ-ARROYO,

while under oath and testifying in a proceeding before Grand Jury Panel 14-2, a Grand Jury of the United States in the District of Puerto Rico, knowingly did make a false material declaration, that is to say:

2. At the time and place aforesaid the grand jury was conducting an investigation to determine whether violations of Title 18, United States Code, Sections 1344, 656, 1343, and

1957, had been committed, and to identify the persons who had committed, caused the commission of, and conspired to commit such violations. It was material to the said investigation that the grand jury ascertain if Nancy Velez-Arroyo was aware that San Juan Tropical was being paid on a weekly basis under the terms of its contract with Doral Bank.

3. At the time and place alleged, Nancy Velez-Arroyo appearing as a witness under oath at a proceeding before the grand jury knowingly made the following declaration in response to questions with respect to the material matter alleged in paragraph III as follows:

Q: Alright, now let me ask you again, point blank, did you ever discuss with anyone the fact that San Juan Tropical was being paid on a weekly basis and should have been paid on a monthly basis?

A: The only time that was brought up to me was when the FBI Agent first contacted me and showed me the contract and said "Did you understand that this was supposed to be monthly and not weekly."

4. The aforesaid underscored testimony of Nancy Velez-Arroyo, as she then and there well knew and believed, was false in that, on or about September 4, 2008, Nancy Velez-Arroyo wrote an e-mail to Doral Bank employee Bruce Hathaway stating that San Juan Tropical must be paid weekly as per the contract terms. All in violation of Title 18, United States Code, Section 1623(a).

COUNT FOUR
Obstruction Of Justice
Title 18, United States Code, Section 1512(c)(2)

On or about the 18th day of February, 2015, in the District of Puerto Rico and within the jurisdiction of this Court, the defendant,

NANCY VELEZ-ARROYO,

did knowingly, intentionally, and corruptly obstruct, influence, and impede an official proceeding, to wit: a grand jury investigation in the District of Puerto Rico, by providing false

and misleading testimony to a grand jury in violation of Title 18, United States Code, Section 1512(c)(2).

COUNT FIVE
Obstruction of The Due Administration of Justice
Title 18, United States Code, Section 1503

On or about the 18th day of February, 2015, in the District of Puerto Rico and within the jurisdiction of this Court, the defendant,

NANCY VELEZ-ARROYO,

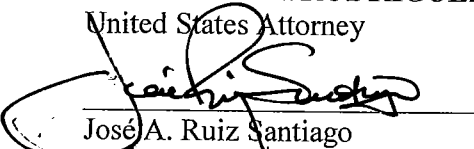
did corruptly influence, obstruct and impede or endeavor to influence, obstruct and impede, or any applicable combination thereof, the due administration of justice before a federal grand jury proceeding in the District of Puerto Rico, by providing false and misleading testimony therein. All in violation of Title 18, United States Code, Section 1503(a).

TRUE BILL

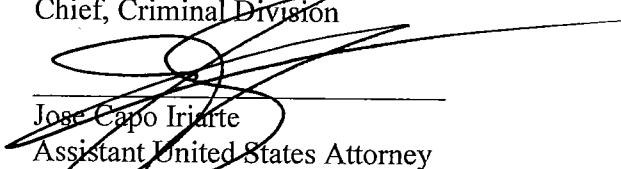
Date: 18/11/2012

ROSA EMILIA RODRÍGUEZ-VÉLEZ


United States Attorney



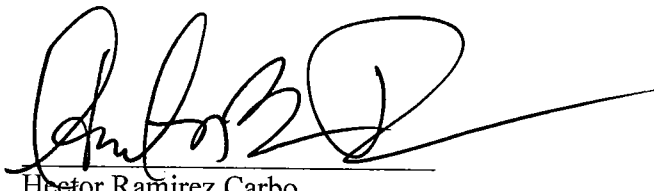
José A. Ruiz Santiago
Assistant United States Attorney
Chief, Criminal Division



José Capo Iriarte
Assistant United States Attorney
Chief, Financial Fraud & Corruption Unit



Luke Cass
Assistant United States Attorney



Hector Ramirez Carbo
Assistant United States Attorney